## SECOND CONTINUING APPROPRIATIONS/Public Funding & Lobbying

SUBJECT:

Second Continuing Appropriations Bill for fiscal year 1996... H.J.Res. 115. Upon reconsideration, Craig modified amendment No. 3049 to the Simpson perfecting amendment No. 3048 to the language proposed to be stricken by the Campbell amendment No. 3045.

## **ACTION: AMENDMENT AGREED TO, 49-47**

**SYNOPSIS:** As introduced, H.J. Res. 115, the Second Continuing Appropriations Bill for fiscal year 1996, will provide limited funding through December 1, 1995 for Federal programs that have not yet had fiscal year (FY) 1996 appropriations enacted for them. It also will: terminate several small programs; prohibit Federal funding from going to organizations that engage

enacted for them. It also will: terminate several small programs; prohibit Federal funding from going to organizations that engage in lobbying activities; keep the Medicare Part B premium at 31.5 percent; and expand Medicare coverage to include oral hormonal drugs for treating breast cancer.

The Campbell amendment would strike the section that will impose restrictions on lobbying by Federal grantees. The specifics of those restrictions are as follows:

- 501(c)(4) tax-exempt organizations with gross revenues of more than \$3 million and which engage in lobbying will be ineligible for Federal awards, grants, or loans;
- organizations that receive more than one-third of their revenues in Federal grants and spend \$100,000 or more a year on lobbying activities will lose eligibility for Federal awards, grants, or loans;
- limitations on grant eligibility based on political advocacy will not apply to organizations that spend less than \$25,000 per year on such advocacy;
- any other organization will be denied a grant if it exceeds the Substantial Political Advocacy Threshold (which will be based on the formula used currently to determine the permissible amount of lobbying by 501(c)(3) charitable tax filers) for any 1 of the previous 5 Federal fiscal years (excluding years prior to 1996);
- grantees will be required to agree not to engage in substantial political advocacy during a year in which they control Federal grant funds;

(See other side)

YEAS (49)			NAYS (47)			NOT VOTING (3)	
	Republicans Democrats (49 or 94%) (0 or 0%)		Republicans (3 or 6%)	Democrats (44 or 100%)		Republicans	Democrats
						(1)	(2)
Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Dole Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg	Hatch Hatfield Helms Hutchison Inhofe Kassebaum Kempthorne Kyl Lott Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Stevens Thomas Thompson Thurmond Warner		Jeffords Snowe Specter	Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham Harkin Heflin Hollings Inouye	Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other  SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	ily Absent inced Yea inced Nay Yea

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- grants to an affiliate of an organization will be counted as grants to that organization;
- grantees will be subject to congressional audits;
- grantees will annually disclose their lobbying activities;
- grantees will only use grant funds for the purposes for which they were given;
- grantees will not give grant funds to entities that are ineligible to receive Federal grants; and
- based on the current Federal law used to recover funds from contractors who defraud the Government, qui tams provisions will be enacted (which will allow private citizens to bring actions on behalf of the Government).

The Simpson perfecting amendment to the language proposed to be stricken would also strike that language and would enact the following new restrictions on lobbying by tax-exempt organizations that received grants from the Federal Government: organizations that filed under 501(c)(4) of the tax code and that had gross annual revenues in excess of \$3 million could not accept Federal grants and lobby the Government (legally separate organizations could be formed if organizations wanted to receive public funds and lobby); and all organizations that received Federal grants in excess of \$125,000 annually would be subject to a modified version of the 501(h) formula that is currently used to limit lobbying by 501(c)(3) organizations that receive public funds. The 501(c)(3) formula allows organizations to spend a portion of their total outlays on lobbying. That formula is capped at \$1 million; an organization reaches that cap under the formula when its total spending reaches \$17 million. The modified version of the formula in this amendment would allow an organization to spend on lobbying 1 percent of any additional amounts it spent in a year in excess of \$17 million. The amendment would also require each organization that received Federal grants to report each year that it received less than \$25,000 in grants or else to disclose an estimate of how much it spent as well as how much it received in grants. Finally, the amendment would define "grant" to mean the provision of any Federal funds to carry out a public purpose (certain exceptions, such as for nonmonetary assistance from the Department of Veterans Affairs, would be made), and it would use the definitions for "lobbying" and related terms as they were set forth in the lobbying reform bill which passed the Senate July 25, 1995 (see vote No. 328). (For related debate, see vote No. 325).

**The Craig modified second degree substitute amendment** to the Simpson amendment would enact provisions with the same effect as the provisions of the Simpson amendment.

NOTE: The Senate earlier rejected the Craig amendment, and then agreed by voice vote to reconsider the vote. After this vote, the underlying Simpson amendment was agreed to by voice vote, and, by unanimous consent, the Campbell amendment, a Simpson substitute amendment to the language proposed to be stricken, and a Craig perfecting amendment to the Simpson substitute amendment were withdrawn.

For debate, see vote No. 564.